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C O N F I D E N T I A L BERLIN 5164

E.O. 11652: GDS

TAGS: GE, ECON

SUBJECT: 1975 PLAN FULFILLMENT FIGURES PUBLISHED

REF: 75/BERLIN 6096 (NOTAL)

SUMMARY: OFFICIAL FIGURES ON PERFORMANCE OF
THE GDR'S ECONOMY IN 1975 WERE PUBLISHED
JANUARY 20. POOR AGRICULTURAL RESULTS AND SLUGGISH
INDUSTRY COMBINED TO SLOW GROWTH OF NATIONAL INCOME,
AND THE GROWTH RATE OF CONSUMPTION APPEARS TO HAVE DIPPED
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SLIGHTLY. END SUMMARY:

1. FIGURES OF THE GDR STATE STATISTICAL ADMINISTRATION PUBLISHED IN NEUES DEUTSCHLAND JANUARY 20 SUGGEST A SLOWING OF THE GDR ECONOMY IN 1975 WITH UNDERFULFILLMENT OF A NUMBER OF GLOBAL 1975 PLAN TARGETS AND A REDUCTION IN THE RATE OF EXPANSION OF THE CONSUMER ECONOMY. INDUSTRIAL PRODUCTION MET PLAN GOALS BY A NARROW MARGIN, WHILE LAGGING AGRICULTURAL PRODUCTION PUSHED OVERALL NATIONAL INCOME FIGURES DOWN. THERE FOLLOW THE MAIN PLAN FULFILLMENT FIGURES IN THE ND REPORT EXPRESSED AS A PERCENTAGE INCREASE OF 1975 OVER 1974. IN PARENTHESES ARE ORIGINAL PLAN TARGETS: NATIONAL INCOME 5.0 (5.5), INDUSTRIAL MANUFACTURED GOODS 6.4 (6.3), PRODUCTIVITY IN INDUSTRY 5.8 (5.6), CONSTRUCTION INDUSTRY 7.5 (5.0), NET MONEY INCOME TO THE POPULATION 4.0 (4.4).

2. OVERALL PLAN FULFILLMENT BY INDUSTRIAL MINISTRIES WAS 100.5 PERCENT; AND WHILE NO MINISTRY IS REPORTED AS HAVING UNDERFULFILLED ITS PRODUCTION PLAN, THE FOLLOWING FULFILLMENT PERCENTAGES SUGGEST THAT IN MOST CASES PLANS WERE MET WITHOUT MUCH ROOM TO SPARE: COAL AND ENERGY 101.3; MINING AND METALLURGY 100.4; CHEMICAL INDUSTRY 100.9; ELECTRONICS AND ELECTRICAL 100.5; HEAVY MACHINERY 100.2; MACHINE TOOLS AND PROCESSING MACHINERY 100.1; GENERAL MACHINERY, AGRICULTURAL AND VEHICLES 100.0; LIGHT INDUSTRY 100.1; GLASS AND CERAMICS 100.4; LOCAL AND FOOD INDUSTRY 100.5; GEOLOGY 107.1.

3. DISCUSSION OF PLAN FULFILLMENT IN AGRICULTURE IS INTERESTING FOR THE ADDITIONAL INFORMATION IT PROVIDES ON UNDERPRODUCTION DUE TO WEATHER IN 1975. ESCHEWING ANY MENTION OF OVERALL PRODUCTION VOLUME, THE REPORT STATES THAT DESPITE STRENUOUS EFFORTS OF PRODUCERS, PLANNED HARVESTS OF FIELD CROPS WERE NOT OBTAINED EXCEPT IN THE CASE OF OILSEEDS. SHORTFALLS, THE REPORT CONTINUES, WERE ESPECIALLY GREAT FOR ROOT CROPS, AND GREEN FODDER. STATE PROCUREMENT PLANS FOR GRAIN, OILSEEDS, LEGUMES AND VEGETABLES WERE FULFILLED, WHILE THOSE FOR POTATOES AND SUGAR BEETS WERE NOT. THE REPORT

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ALSO CONTAINS THE FOLLOWING INTERESTING TABLE OF COMPARATIVE CROP YIELDS IN UNITS OF 100 KILOGRAMS PER HECTARE:

	AVERAGE YIELD		1975 YIELD
	1970-74	1974 683)\$	
GRAIN	34.8	39.7	35.5
OILSEEDS	20.1	23.6	26.7

POTATOES	182.	221.	134.
SUGAR BEETS	295.	297.	242.
ROOT FEED CROPS	521.	550.	457.
FIELD FEED CROPS	72.4	86.2	78.5
GREEN FODDER	328.	346.	282.

PERCENTAGE PLAN FULFILLMENT FIGURES ARE GIVEN FOR STATE PROCUREMENT OF MEAT (108.1), MILK (100.6) AND EGGS (102.3); AND ANOTHER TABLE SKETCHES THE SIZE OF LIVESTOCK HERDS IN ABSOLUTE NUMBERS AND IN COMPARISON WITH A YEAR EARLIER. ALL HERDS ARE SHOWN AT OR SLIGHTLY BELOW THEIR YEAR-AGO LEVEL, SUGGESTING THAT DISTRESS SLAUGHTERING HAD NOT TAKEN PLACE BY THE DATE OF THE SURVEY, NOVEMBER 20, 1975.

4. CONSUMERS MADE ONLY MODEST HEADWAY IN 1975, WITH THE RATE OF INCREASE IN MONEY INCOME TO THE POPULATION FALLING TO ITS LOWEST LEVEL (4.0 PERCENT) SINCE THE 3.7 PERCENT RECORDED IN 1971, AND RETAIL TRADE TURNOVER INCREASING ONLY 3.6 PERCENT AGAINST A PLANNED INCREASE OF 4.6 PERCENT. FIGURES ARE GIVEN FOR LARGE PERCENTAGE INCREASES IN PUTPUT OF DEFICIT ITEMS SUCH AS HOTHWATER HEATERS, HOME LIGHT FIXTURES, BATH TOWELS, ANDPANTYHOSE. FIGURES ARE ALSO GIVEN FOR OWNERSHIP OF CERTAIN CONSUMER DURABLES PER 100 HOUSEHOLDS, INCLUDING PASSENGER CARS, SAID TO HAVE RISEN FROM 24 PER 100 HOUSEHOLDS IN 1974 TO 26 IN 1975.

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5. INVESTMENT. THE REPORT LISTS COMPLETION OF CAPITAL PROJECTS IN THERMAL POWER, CONSUMER INDUSTRIES, INDUSTRIAL ANCILLARIES, AND HEAVY MACHINERY. IN CHEMICALS, NEW FACILITIES FOR PRODUCTION OF ETHYLENE AND PROPYLENE, AMMONIA AND UREA FERTILIZERS, AGRICULTURAL CHEMICALS, PAINTS, PLASTIC COMPONENTS, AND AUTO TIRES, AS WELL AS NEW PETROLEUM REFINING CAPACITY ARE REPORTED AS HAVING COME ONSTREAM. SEVERAL CHEMICAL AND FUEL AND ENERGY PROJECTS SUFFERED DELAYS. GROSS INVESTMENT ROSE 4 PERCENT OVER THE YEAR EARLIER, WITH THE CAPITAL BASE OF THE CONSTRUCTION AND TRANSPORT INDUSTRIES RECEIVING SPECIAL ATTENTION.

6. ALL IN ALL, 1975 GAVE LITTLE FOR GDR PLANNERS TO CHEER ABOUT, AS FACTORS LARGELY BEYOND THEIR CONTROL-

EXTERNAL RESOURCE CONSTRAINTS AND POOR WEATHER-
COMBINED TO PUT THE BRAKES ON ECONOMIC GROWTH.GROVE

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